

VERMONT'S MENTAL HEALTH BLOCK
GRANT PLANNING COUNCIL

Meeting Notes
May 8, 2006

MEMBERS: Amy Churchill, Linda Corey, Paul Dupre, Kitty Gallagher, Kathy Holsopple, Zachary Hughes, George Karabakakis, Larry Lewack, Glen McClintock, David Mitchell, Clare Munat, Dawn Philibert, Sue Powers, Joy Prior, Liz Reardon, Marty Roberts, and Carl Theodore

DMH STAFF: Charlie Biss, Melinda Murtaugh, and Cindy Thomas

OTHERS: Scott Thompson and Cathy Voyer

Facilitation

Clare Munat facilitated today's meeting.

Distribution of \$13,342 Decrease in Federal Mental Health Block Grant Allocation for Fiscal Year 2006

The proposal from the Division of Mental Health is to make the cuts in the following areas:

Children's Services:	\$ 5,048 from consultation \$ 2,957 from the wraparound line item (instead of \$5,109 as proposed in Paul Blake's letter of March 29 to LouEllen M. Rice at the Center for Mental Health Services)
Adults/Emergency:	\$ 1,000 from housing infrastructure funding \$ 2,653 from Co-occurring Disorders Programs, at two agencies <u>\$ 1,684</u> from Emergency Services, at seven agencies (instead of \$3,119 as proposed in the March 29 letter)
Total	\$13,342

Sixty percent of the cuts are from Children's Services because they get 60 percent of Vermont's mental health block grant; the remaining 40 percent comes out of Community Rehabilitation and Treatment (CRT) for adults with severe mental illness and Emergency Services.

Planning Council members noted lingering concerns over Emergency Services, which are precariously funded and have been operating at a deficit for years. One Planning Council member mentioned that some community mental health center staff at one agency are getting bonuses even though some direct services are seeing cuts. Another Planning Council member observed that the cuts in block grant funding represent a very small fraction of overall funding for mental-health services in Vermont (more than \$40 million in Fiscal Year 2006). The motion to approve the cuts as proposed passed unanimously, with no abstentions.

New Federal Priority: Transformational Activities

Melinda Murtaugh explained a new set-aside for the Fiscal Year 2007 application and beyond to support transformational activities along the lines laid out in the report from the President's New Freedom Commission (2003) and in *Transforming Mental Health Care in America. The Federal Action Agenda: First Steps* (2005). The short definition of "transformational" in the context of mental health is anything that promotes recovery and resilience and that advances consumer- and family-centered services and systems. CMHS is still working on more clarifying language.

The funding for transformational activities will come out of the difference between a state's allocation for Fiscal Year 2007 and the allocation for the base year of 1998. For Vermont, the projected block grant funding for 2007 is \$780,471, while the allocation for 1998 was \$611,017. Thus:

\$780,471 Fiscal Year 2007 projection
- 611,017 Fiscal Year 1998 allocation
\$169,454 Set-aside for transformational activities in Fiscal Year 2007

Planning Council members again remarked on what a small portion of the total mental-health budget the block grant is. They would like to see funding significantly increased at both the state and the federal level. Other comments, suggestions, and questions:

- The transformational set-aside is just another unfunded mandate and should not be forced on the states in this manner.
- How old is the allocation formula? Perhaps it is out-of-date by now.
- Establish a minimum for rural states.
- Change the formula to reward states for providing good services.
- Put more resources into recovery activities, not just in Vermont but in all states.
- Look at the California model for a funding possibility: Put a surtax of 1 percent on incomes over \$1 million and earmark the proceeds for mental health
- Do an analysis of health care expenditures for dually eligible CRT clients and determine if better medical management of their chronic conditions could save Medicare money (the Planning Council member who offered this idea wondered if Medicare could be convinced to share some of the savings with states to increase the funding that could go into mental-health services)

Federal Site Visit This Summer

The federal block grant statute requires site visits to states receiving mental health block grant funding every five years in order to evaluate compliance with the agreements required under the program. This summer is Vermont's turn. Specifically, the site visit team will be here the week of July 17 and will probably want to meet with Planning Council members on Wednesday, the nineteenth. Melinda is still working on the schedule and will be in touch with the Planning Council with more definite information later. But for now members should put a hold on that date in their calendars.

Affirmative Motion for Vermont's Mental Health Block Grant Planning Council

In response to a question from Dawn Philibert, Melinda explained that the Statewide Program Standing Committees for Adult Mental Health and for Children and Adolescents with a Serious Emotional Disturbance and Their Families are entities created by Vermont's Administrative Rules on Agency Designation. The Block Grant Planning Council is an entity required by the federal block grant statute for states receiving block grant funding.

By Executive Order when Vermont's Planning Council was first formed, in the late 1980s, it was formed around the core of the Board of Mental Health, with an expanded membership to conform to the federally mandated composition for planning councils in all states. When the Board of Mental Health voted to dissolve itself in the late 1990s, the Standing Committees replaced the Board as the core of the Planning Council. The current membership satisfies the federal requirements for representation of adults with severe mental illnesses and their families, the families of children with a serious emotional disturbance, providers of mental-health services, and other state agencies ("not less than 50 percent of the members of the Council are individuals who are not state employees or providers of mental health services").

After a brief discussion, the Planning Council unanimously approved the following motion:

As set forth in the federal block grant statutes (Public Laws 99-660 and 106-310), states' Mental Health Block Grant Planning Councils have the following duties:

- (1) to review plans [and reports] provided to the Council pursuant to section 1915(a) by the State involved and to submit to the State any recommendations of the Council for modifications to the plans [or reports];
- (2) to serve as an advocate for adults with a serious mental illness, children with a severe emotional disturbance, and other individuals with mental illnesses or emotional problems; and
- (3) to monitor, review, and evaluate, not less than once each year, the allocation and adequacy of mental health services within the state

Vermont's Planning Council presents an affirmative motion that the Planning Council has met these responsibilities to date and intends to continue meeting them primarily through:

- (1) holding meetings twice each year to review plans and reports and offering comments and recommendations for inclusion with the submissions to the Center for Mental Health Services, with copies to state officials as appropriate and to the Congressional delegation;
- (2) identifying important issues for advocacy by members, individually or collectively;
- (3) receiving and reviewing weekly Performance Indicator Project reports on mental-health services, client outcomes, system performance, and other aspects of the state's public mental-health system;

- (4) participating, as part of the agency re-designation process, in site visits to designated agencies that offer mental-health services for adults with severe mental illness and for children and adolescents experiencing a serious emotional disturbance and their families; and
- (5) monthly meetings of the Statewide Program Standing Committees, which, in between the meetings of the full Planning Council, have additional responsibilities in the areas of mental-health advocacy as well as monitoring, reviewing, and evaluating the public mental-health system.

Overall Inadequacy of Funding for Mental Health

Ideas to expand the available resources for mental-health services included:

- ⌘ Increase revenues from Medicare in the CRT programs.
- ⌘ The regulations that govern reimbursements are inconsistent with the aims and principles of the New Freedom Commission.
- ⌘ Approach the Congressional delegation for help with increased funding.
- ⌘ It is important to come to another agreement on stabilization of funding for mental health under Vermont's Global Commitment.
- ⌘ Support the continued sustainability of programs.
- ⌘ When we see best practices, we need to think about taking them statewide.
- ⌘ Think about ways of funding integrated programs under flexible approaches allowed under the Global Commitment.

Vermont's Global Commitment to Health Care: Susan Besio

So far, Vermont is the only state that has entered into this kind of agreement with the federal government. It allows the state to provide health-care coverage using Medicaid in such a way as to control the rate of increase in costs over Fiscal Years 2006-2010. Expenditures over these five years are projected to be \$4.18 billion (cumulative). With the budget neutrality ceiling at \$4.7 billion, Vermont has room for program growth if it does not exceed its projected expenditures.

The Global Commitment will operate under a managed-care model, with the Office of Vermont Health Access (OVHA) becoming a public managed care organization (PMCO). For more details, see Susan's handouts (and, if you were not at the May 8 meeting and want a copy, contact Melinda Murtaugh at 652-2000 or mmurtaugh@vdh.state.vt.us).